

We repeat our expression of the Journal's National Policy: Annex Hawaii, secure bases in the West Indies, dig the Nicaragua Canal, build the finest navy in the world, and construct great national universities at West Point and Annapolis. And we reaffirm our declaration in favor of the Jeffersonian principle of national expansion.

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W. R. HEARST.

AN AMERICAN PAPER FOR THE AMERICAN PEOPLE.

Shall We Waste Our Resources?

learn by experience, what is to be said of the man or the nation that will not learn even in that school?

We are just finishing a war in which we are imposing our will upon an enemy vanquished solely by sea power. If we had never landed a soldier on the soil of Cuba or the Philippines Spain's collapse would have been just as rapid and complete. With a hundred and fifty thousand men, half of them equal to French veterans, all of them undefeated and all of them eager to fight, Blanco had to give up without a battle because Spain's naval overthrow left him trapped. If Augustin had had a hundred thousand men at Manila the result would have been the same.

As we won our conquests by sea power, so we hold them by the same force. We can defend the Philippines against any enemy with ten thousand soldiers as long as we keep the command of the sea; we should be helpless there with a million if we lost it.

Yet we find the Administration ignoring all the lessons of our not-yet-ended war and proposing that we shall repeat all of Spain's mistakes. It proposes that we shall strain our resources to maintain great land garrisons in our island possessions, and as even a nation as rich as ours cannot be lavish in all directions at once, we are to do our economic in the navy. For the army, whose strength over seas exists only in the shadow of naval power, we are to spend \$166,000,000 a year, and for the navy, the cord without which our island dominions would fall apart like unstrung beads, we are to spend \$39,000,000.

If we spend \$166,000,000 on the army and \$39,000,000 on the navy, we shall be paying \$205,000,000 in all for a police force in the islands and a moderate share of that sea power on which we must depend for the safety of our possessions and our weight in international affairs.

Suppose we spent \$105,000,000 instead of \$205,000,000, and allotted \$50,000,000 of it to the army, \$50,000,000 to the navy, and \$5,000,000 to the maintenance of great military and naval universities in which officers would be trained for the reserves needed in time of war, should we not secure an incomparably greater aggregate of national strength? That would be more than double the usual army appropriation, and more than double any naval appropriation up to three years ago. It would give us an army strong enough to relieve us of any necessity for resorting to the makeshift to which we were forced at the beginning of the Spanish war, and a navy so strong that no foreign power would venture wantonly to attack us. And at the same time it would not break the backs of the workers under a load of taxation.

There is a policy which combines true economy and true liberality, Democracy and Americanism. What does Congress think of it?

HELPING THE SMALL AMERICANS.

The Providence Journal indignantly rebukes the alarmists who exaggerate the cost of garrisoning our new possessions. It says:

The statement that it will cost \$24,000,000 a year to maintain an army of 24,000 men at Manila is a characteristic example of the exaggerations of the anti-imperialists. No one who knows anything about the subject will pretend that a thousand a year is a fair estimate of the cost of one soldier, at home or abroad. The Little Americans must feel that their cause is getting desperate when they read such argument as this.

Very well put. But the Little Americans are receiving unlimited aid and comfort from Secretary Alger's estimate that it will cost \$166,000,000 a year to keep up an army of 100,000 men, or \$1,660 a year for every soldier, at home or abroad.

WORSE THAN PUGILISM.

There is no standpoint from which it is possible to commend the six days' bicycle race. It cannot increase the list of those who find bicycle riding the most pleasurable of all forms of exercise. Nor has it the valid claim on public interest that a match between a wonder like Michael and any of the other great sprinters has.

The spectacle of a dozen or more haggard creatures, defying nature, and with swollen limbs and distorted faces, wheeling in the glare and dust of Madison Square Garden for a share of the gate receipts, is not edifying. It is a brutal exhibition, lacking every element that should appeal to a sport-loving public.

If a number of horses were driven under

the lash for six days and nights in an effort to break a record, or to put money into the purses of their heartless owners, the Society for the Prevention of Cruelty to Animals would be quick to stop the torture.

The Board of Health might show as humane an interest in behalf of the contestants in the bicycle race.

It makes no difference whether Hawaii and the Philippines are three thousand, eight thousand or ten thousand miles away if we can keep in hourly touch with them by cable. The telegraph annihilates distance. Let us have a Pacific cable at once, and let the Government lay it and own it.

QUAY'S CONFESSION OF GUILT.

Matthew S. Quay, Pennsylvania's indicted dictator, wants another postponement of his trial, and various other favors, including the privilege of an advance inspection of the evidence amassed by the people.

Mr. Quay is a shrewd man, and he is defended by shrewd counsel. He and his lawyers are adopting just the course that would naturally be adopted by a shrewd rascal, conscious of guilt, and anxious to avoid punishment by all the shifts of the law. What would be the impulse of any honest man accused of being a thief? Would it not be to demand an immediate trial and secure a prompt and public vindication from the odious charge?

Senator Quay has been accused so often of being a thief that he has become used to it, and does not seem to mind it. His only anxiety apparently is to keep out of jail. The Constitution of the United States provides that "in all criminal prosecutions the accused shall enjoy the right to a speedy and public trial." Evidently the framers of the Constitution thought a speedy trial a privilege of which it would be a hardship for any innocent man to be deprived. And they were right in regard to innocent men. They were not thinking of Quay.

LET HAWAII'S BANKS ALONE.

One of the bills reported by the Hawaiian Commissioners provides for the abolition of the postal savings bank maintained by the Hawaiian Government. That is an admirable measure to kill. When we find ourselves accidentally in possession of a small sample of an improvement that we have never been able to introduce on a suitable scale, let us not throw it away. Let us make the most of it, and try to extend it.

Besides, we owe something to the Hawaiians. What right have we to deprive them of their postal savings banks in order that a few capitalists may make profit from their necessities?

AN AM- BASSADOR'S INDISCRETION.

The indiscreet speech of Sir Edmund Monson, British Ambassador at Paris, has brought a furious demand from the French press for his recall. Whatever the Ambassador's intention may have been, he has reawakened all the bitterness produced by the Fashoda incident, and has made possible a crisis in the strained relations of the two countries.

Sir Edmund was not more frank in his utterances than several members of the British Cabinet in recent addresses at public meetings. They, however, were on English soil and could afford to speak honestly, while the British Ambassador was in Paris, where diplomatic usage if not a sound discretion should have made him circumspect.

We demanded the recall of Sackville West for a much less offence, and France will probably save her wounded feelings by handing the garrulous Sir Edmund Monson his walking papers.

THE PROPAGATION OF GRADGRINDS.

The stage where such queries as "Is marriage a Failure?" or "Should Wives Work?" are of moment.

The good women of "The Society for the Study of Life" propose to strengthen the foundations of the social fabric by telling their children "absolute, unvarying truth in fun or in earnest." No more fairy stories or nonsense rhymes for the little ones. Their minds must be fed upon solid chunks of truth, that they may grow up to be sensible men and women with no false ideas.

One particularly earnest member says: "I should like to replace fairy tales with truth and substitute for 'Mother Goose' the histories of nations."

What a dismal fate is in store for the unfortunate children of this sombre-hearted woman! When they toddle to her knee pleading to be told for the hundredth time how "the cow jumped over the moon," she feels in duty bound to tell them that their minds have been harboring a preposterous falsehood, that the cow did not and could not accomplish such a feat. And when the sorrowful little creatures dig their chubby

fists into their eyes, they are to be comforted with the recitation of a soggy chapter out of the history of nations.

No more flights on the wings of fancy with James Whitcomb Riley, who is a traitor to truth for telling the children that "the goblins will git you if you don't watch out," when everybody knows that there are no such things as goblins. No more breathless moments with the "Arabian Nights"—every story of them devoid of truth. Not another line about the dear old woman who lived in the shoe and had so many children she didn't know what to do! Why stuff and deaden a child's mind, eager for the great facts of history, with such silly prattle!

Rudyard Kipling, too, must be banished from the nursery. Who ever heard of a "wolf child" in real life? A mere figment of a diseased imagination. Away with "the Brownies" and all the other mass of rubbish that litters the infant brain, and, above all, as the approach of Christmas reminds us, away with Santa Claus.

In the meantime, while this heartless despoilment of our babies' castles in Spain is going on, what is the Society for Prevention of Cruelty to Children doing? There is room for missionary work in "The Society for the Study of Life."

REVIVING THE KNIGHTS OF LABOR.

The appeal of General Master Workman John W. Parsons for the rehabilitation of the Knights of Labor, which was published in yesterday's Journal, will awaken wide interest, not only among those who were former members, but among thousands of workingmen who realize that they must organize for mutual protection.

There is much to commend in the principles of the Knights of Labor. They seek to band together the men and women who work in a society where their interests will be protected, their power made manifest, and where every patriotic sentiment will be encouraged and every public question will have intelligent consideration.

General Master Workman Parsons has made a convincing statement of the wide field of usefulness that opens before the Knights of Labor, and it cannot fail to meet with the favor of that large class in whose welfare it was framed.

TWO INSTRUCTIVE COMPARISONS.

A contemporary, gurgling cheerily about the modesty of the proposition to increase the regular army to 100,000 men, remarks:

Neither would the adoption of it bring us into any competition in militarism with the military nations of Europe. It is instructive to compare the project of an army amounting to three corps for 70,000,000 with the newest German project of twenty-three corps for 50,000,000.

Very instructive indeed, but it is still more instructive to reflect that our three corps are to cost more than the German twenty-three, with the entire German navy thrown in.

A REAL INVESTIGATION COMING.

Congressman Sulzer has offered a resolution that the Committee on Military Affairs be authorized and directed to investigate the War Department and the conduct of the war. Senator Vest has introduced a resolution of somewhat wider scope. It provides for a joint commission to investigate the charges of corrupt contracts for the purchase of vessels, and for the furnishing of clothing and other articles to the navy.

No doubt many similar resolutions will be presented, and it should not be difficult to secure the appointment of a committee empowered to make a searching inquiry into the management of every department of the Government that had to do with the war.

It is hardly probable, in any event, that the Congressional Committee of Investigation can approach in premeditated dulness the coterie of fossils dug out by the President for the purpose of furnishing the blundering Shafter and the incompetent Alger with certificates of character.

JUST BAILEY'S SIZE.

Major-General Joseph Wheeler will not exercise any of the privileges of a Congressman if the broad-minded Bailey, of Texas, can prevent him. Bailey is a strict constructionist, and he is appalled at his defiance of the Constitution.

General Wheeler maintains that in accepting a commission in the volunteer army he did not forfeit his seat in Congress, and the opinion of the Attorney-General in the case of Colonel Grigsby, of Grigsby's Volunteer Cavalry, seems to bear out his contention.

The overwhelming sentiment of the House is in favor of the gallant veteran, who despite his advanced years was in the thickest of the fray in Cuba. If an objection is to be raised against General Wheeler it is eminently proper that it should come from that peace-loving Lilliputian, "Leader" Bailey, who couldn't be found with a search warrant when the President was calling for volunteers.

"IT'S VERY NICE of General Garcia to approve the President's message," remarks a sardonic contemporary.

If that insouciant spirit is to be cultivated our task of helping the Cubans will not be lightened. Who has a better right than General Garcia to pass judgment upon that portion of the President's message which deals with Cuba?

NOW THAT CONGRESS is running things, possibly President McKinley will give Providence a rest.

NO HELP NEEDED.



UNCLE SAM—Thank you, John, you're very kind, but I can manage this job myself.

MONEY MARKET OVERSTOCKED.

WHY THE BOWERY BANK CUT THAT ONE-HALF PER CENT.

By John Lincoln Blass, Editor of the American Banker.

PEOPLE get into the habit of regarding a certain rate per cent of income on money lent as a fixed and unmovable thing. But the rate of income from capital depends as much, generally speaking, on the relation of the supply to the demand as the price of merchandise on food does. The savings banks, which are merely an aggregation of small capitalists, are erroneously declared to be institutions belonging to the eleemosynary class, so that when any one proposes to tax them or their directors determine to lower the rate of interest a cry goes up that the poor are being needlessly deprived of a part of their income! As a matter of fact, however, every man who saves if but a dollar, which he deposits in a savings bank, where it is useful only to be lent at interest, is to that extent a capitalist, and he cannot expect the income from the money which he authorizes his trustees to loan to be any greater than the income which is derived from all the capital competing in the same market. As a savings bank depositor belongs to a co-operative capital institution, and he shares equally with his partners in the earnings of the institution. So that there is nothing charitable about the profit which he derives from his deposit; nor is there anything fixed about it. If capitalists of all classes are ready to loan the Government money at 3 per cent, for example, and to the full extent of its needs at that price, the savings bank has no means of compelling the Government to pay any more, and if the bank buys bonds which yield but 3 per cent, it obviously cannot pay its partners, the depositors, 4 per cent. Now, it is just because the market is overstocked with capital ready to loan on anything that is safe at the lowest figures which will tempt the investment of money. Thus political corporations such as cities, villages and counties are able to sell their bonds at rates which do not yield the purchaser much over 3½ per cent in most cases. Many of the New York savings banks hold securities which were issued years ago when the interest rate was much higher than to-day. It is this fact which has enabled them to pay a comparatively high rate of interest on their deposits up to now. But in recent years, when these old securities have been refunded—ever these old securities have been refunded—that is, renewed at a lower rate of interest than the original loan bore. Examples of this are numerous. And only lately several of the great railroad systems have thus refunded their old bonds, on which they had paid for years 7 and more per cent, at rates as low as 4 per cent and lower.

These are indications of the fact that in recent years capitalists have been willing and ready to loan their accumulations at much lower rates than formerly, or, rather, they are compelled to do so owing to the fact that capital has tended to accumulate more rapidly than the opportunities for using it.

The fall in the rate of income from capital in the last generation has been almost as great as proportionately as the fall in general prices. The national banks afford an indication of this. In 1870 these banks earned 11 per cent on \$403,000,000 capital and surplus, while in 1892, a year of considerable industrial activity, they earned but 7 per cent on \$901,000,000 capital and surplus. Lately the rate has fallen to a still lower point. It should be noticed, however, that the savings banks of New York City are not able to compete for any kind of securities, but are limited to those which the law considers absolutely safe. But this fact confines their loans to a field within which the greatest amount of money is continually offered. If the field were widened it is possible that they might continue to pay 4 per cent on deposits. But is it wise to extend the latitude of permitted investments? Yet in that narrow field to which the savings banks are confined it is difficult to loan money at more than 4½ or 5 per cent. Real estate mortgages, too, owing to the facilities for borrowing and the abundance of money, are made at lower rates than formerly. And so it goes.

CAR OF JUGGERNAUT No. 607.

BROOKLYN'S DREADED CAR TO BE BROKEN UP.

THIS is an absurd story, inasmuch as it is a record of fact and an explanation of an accident. It is a declaration of the impossible, and the men who are most worried about the manifestations of it chronicles are the men who most of all deny the incomprehensible agency involved in it.

Car No. 607, of the Nassau Road, in Brooklyn, at Nelson street, was going ahead at her usual clip and he had plenty of time to get by, but as soon as he got on the track she jumped to double her speed. I'll swear her lever never budged.

A car that, without visible interference, but by what would be its own volition, if it had any, charges at a man like that is certainly an extraordinary car. Of course, they looked the car over, but controller, direction lever, overhead switch

to pieces to look at it, for the Brooklyn trolley people are a practical folk and have no patience with seemingly unquenchable things. Yet, what are you going to do when a sober, tried, responsible motorman, a man of years' experience, comes into the shops after his run and says calmly:

"Six hundred and seven just missed a man at Nelson street. She was going ahead at her usual clip and he had plenty of time to get by, but as soon as he got on the track she jumped to double her speed. I'll swear her lever never budged."

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car house. They are men of sense and know that cars are not possessed of devil, but they call 607 an unlucky car. Those of them who are informed of its automatic propensities to leap at people on the tracks give varied reasons; that the motorman never have touched his lever or some passenger meddled when he was not looking, and to prove it they will walk in front of 607 if you want them to, but there isn't a man in the company's employ who would not rather take out any other car than 607, for all their insistence that car men have no time for superstitions.

There used to be a car of this line, 719, that got a name as a hoodoo car—as had a name as 607 has, and there are people in Brooklyn who say that old car 719, repainted, with another number, runs still on the Nassau line, and they think its number is 607.



No. 607, the Fatal Car, in the Trolley Graveyard.

There are so many electric cars in Brooklyn—thousands of them—that more than one fatal accident in which a particular car is involved is bound to be a rare coincidence. Yet No. 607 was always at it. It may be coincidence, of course, that under different motormen this particular car has killed and maimed so many above its quota, or it may be that some defect in the electrical machinery makes it harder to control than the other cars, but the number and circumstances of its offences seem to place them far beyond the limits of accountability by coincidence, and its motors and machinery have been gone over so often in the shops for indication of a defect that fault with its gear could not well have escaped the inspectors. They are always tearing this car

and every bearing, wheel and wire was seemingly in perfect condition and she was sent out again. It was not long before she came in with a new motorman, who said that 607 had been stopped by a fallen horse and was at a dead standstill when a woman crossed the street behind it and the car plunged backward, knocking her down, but fortunately throwing her clear of its wheels. And this motorman said he had never touched the direction lever and his brake was on. Again the car was looked over, but there was nothing wrong with it. The brace bar on one gate was a bit bent from having run into a truck, and the rubber on the steps was worn and frayed, otherwise the car was apparently as good as new.

Now they are afraid of car 607 in the Nassau

and story. No doubt the unusual fact that the prize fighter was actually and actively interested in the swat industry when angrier suggested this line of thought to the Nawab.

However, the chief of staff was unable to reply satisfactorily.—Baltimore American.

THE PERPLEXED NAWAB.

The Nawab of Dir glanced over the cable dispatches in the 4 o'clock edition of the Daily Oolobumbho.

"Ha!" he ejaculated, not unpleasantly.

He read on, carelessly. It is true, with regard to pronunciation: "Forbett was very angry and tried to hit his second."

"I am," he continued, addressing his chief of staff, "if this fair prize fighter is any kin to my friend the good table of Swat."